



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 11, 2001

H.R. 1727

Fallen Hero Survivor Benefit Fairness Act of 2001

As ordered reported by the House Committee on Ways and Means on May 9, 2001

SUMMARY

Under current law, taxpayers may exclude from their taxable income certain amounts received as a survivor annuity on account of the death of a public safety officer in the line of duty. The officer must have died after December 31, 1996, and the annuity must be provided under a government plan to the surviving spouse, former spouse, or child of the public safety officer. H.R. 1727 would extend the treatment of these survivor annuities with respect to individuals dying on or before December 31, 1996. The Congressional Budget Office and the Joint Committee on Taxation (JCT) estimate that enacting the bill would reduce revenues by \$4 million in fiscal year 2002, by \$24 million over the 2002-2006 period, and by \$46 million over the 2002-2011 period. Because the bill would affect receipts, pay-as-you-go procedures would apply.

H.R. 1727 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1727 is shown in the following table. All estimates of the revenue effects of the bill were provided by JCT.

	By Fiscal Year, in Millions of Dollars				
	2002	2003	2004	2005	2006
CHANGES IN REVENUES					
Estimated Revenues	-4	-5	-5	-5	-5

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By Fiscal Year, in Millions of Dollars										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Changes in outlays					Not applicable						
Changes in receipts	0	-4	-5	-5	-5	-5	-5	-5	-4	-4	-4

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1727 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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